

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

UNITED STATES OF AMERICA

Plaintiff,

v.

NA LI and L & L INTERNATIONAL INC.,

Defendants.

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) Case No. 4:17-CV-00923  
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RESPONSE OF NA LI

RESPONSE OF L & L INTERNATIONAL INC.

TO

MOTION FOR SUMMARY JUDGMENT BY THE UNITED STATES OF AMERICA

&

DEFENDANTS' PRAYER FOR A TRIAL SETTING ON/ABOUT OCTOBER 1, 2019

May it Please the Honorable Judge of Said Court:

COMES NOW NA LI, a personal Defendant in this Cause, to file and present her Response to the Government Plaintiff's Motion for Summary Judgment. Counsel has come to know her as "Lina", by which name she will occasionally be called in this Response.

SEVERALLY, COMES NOW L&L INTERNATIONAL INC, brought into this case by the Plaintiff as a separate Corporate Defendant, to file and present its own Response to the Motion for Summary Judgment filed against it by the Government.

I.

The Defendant NA LI, asks and prays that this Honorable Court deny the Government's Motion for Summary Judgment.



II.

The separate corporate Defendant, L&L INTERNATIONAL INC, asks and prays that this Honorable Court deny the Government's Motion for Summary Judgment.

III.

Both Defendants urge this Honorable Court to set the case on its merits for Trial on or about October 1, 2019.

IV.

Na Li

The United States of America and the massive power of its Executive Agency, The Internal Revenue Service, claim and allege that Lina created a Federal Tax Liability of \$ 434,958.00 in the year 2000 by personally engaging in 9-5 "open it up shut it down" Day Trading in the stock market.

She did not do that.

It was not possible for her to do that. She could not have done that.

It was illegal for her to engage in day trading.

There are age limitations on trading stocks.

<http://www.wisestockbuyer.com/2012/06/can-anyone-buy-stocks/>

The biggest obstacle to buying stocks is age. In every state in the United States, there is a minimum age to buy and sell securities.

States and Brokers alike agree that children and minors generally aren't capable of making good decisions involving securities and trading assets.

Brokers do not want to be responsible for the financial decisions minors can make through their systems, so they rightfully keep people who aren't of age from trading.

What is this minimum age? It depends on the state. If you live in California, the District of Columbia, Kentucky, Louisiana, Maine, Michigan, Nevada, New Jersey, South Dakota, Oklahoma, or Virginia, you can't trade stocks until you reach the age of 18. For every other state, you have to be at least 21 years of age – and brokerages do verify the identity and age of each person attempting to open account.

In Texas, you must be 21.



Lina was born on March 5, 1981

In the Tax Year 2000, Lina was nineteen (19)

So who did it ?

Her Mother. Jing Xia Lu.

The relationship between Lina's parents was fraught with difficulty.

Her mother was especially renegade and had a thirsty addiction for high-risk behaviors.

Her mother did not have her own Social Security Number to open a day-trading account.

Her Mother, by deception and guile, quietly obtained Lina's social security number and headed off to Super Trade, the door-front day trading facility.

Mom was very good at it in the year 2000. \$ 1,158,016 in taxable capital gains.

For Lina, a 19-year old ? \$ 1,158,016 in profit ?

....while having been a full-time student and, under the law, barred from Mom's activity ?

When the market failed, her Mother took off for China and has not returned.

.....leaving her Daughter Lina holding the bag.

The original tax amount of \$ 434,958.00 has grown this day to \$ 1,420,041.54.

Lina is now thirty-eight.

Half her life is gone.

She and her Mother are totally estranged.

Lina will never be able to pay what the Government wants.

V.

It should not be pleasing to the Honorable Court that The United States of America and The Internal Revenue Service want to close out by Summary Judgment the last clear chance Lina has to recover her life.

Lina prays of this Honorable Court the chance and opportunity of a Trial on the Merits.



She joins her Counsel's readiness to engage in a Trial forum on or about October 1, 2019.

This requested Trial date is merely forty-five (45) days hence .....

So that this may happen in the due order of procedure and in the interest of Justice, Lina prays of the Court an Order Denying the Motion for Summary Judgment.

## VI.

### Further Evidence in Support of Lina's Statement of True Facts

These emphasized portions are taken *verbatim* from the attached Exhibits

#### AFFIDAVIT OF JULIAN CHANG

"I was a General Financial Consultant for Super Trade stock trading company. Around year of 2000, JianXia Lv was a full time stock trader while I was working there. I had never seen Na Li who is JingXia Lv's daughter stepped into the stock company to participated in any stock trading."

#### AFFIDAVIT OF MIMI TAN

"JingXia Lv became my neighbor when she came to the United State year 1998. Then we went to do stock market trade company called Super Trade the same year. She went there as a full time and I was there majority of the time. I stopped trading stocks around year 2001. The entire time while I was there I had never seen her daughter Na Li in that office or trading stocks there once. I knew Na Li since 1998. The Na Li I know was always very busy studying. She had hardly spent her time participate in gatherings her mom at her house. She was just a child at the time, I don't see where she had the money or time to trade stocks."

#### AFFIDAVIT OF TIE CHUN LI

"JingXia Lv was my sister in law. I came to the united states around year 2000. I opened a stock account at Super Trade since JingXia Lv was already trading there and because she used to trade stocks back in China, she would have some experience. At Super Trade she would help me analyzing stocks and tell me how I should trade....My niece Na Li had never been to the stock maket to do any trade. In our eye, she was just a child and her duty was to concentrate on school work, nothing else. And she would never be allowed to do anything like this. Her mom just used her SSN to open an account to trade stocks because she didn't have one of her own yet...I have known JingXia Lv ever since we were in middle school back in China...I know she felt really bad to bring this issue on her daughter...I know for sure ny niece was never participated in any stock trading."



VI.

L&L INTERNATIONAL INC

The Parties agree that:

1. The alleged liability, as put into issue by the Government, is for Tax Year 2000.
2. L&L INTERNATIONAL INC. was formed January 10, 2011.
  - a. Jingmin Lu was named its Sole Director.
  - b. Na Li was the Organizer.
  - c. Under Texas Law, an "Organizer" is a perfunctory no liability, non-management role. As Organizer, Lina was not an Officer or Director or Shareholder.
3. For Texas Franchise Tax Public Information Report Requirements
  - a. Jingmin Lu is named the Sole Officer and Director for Years 2012, 2013 and 2014.
  - b. From and after January 10, 2011 through September 10, 2014, Na Li was and is never named as an Officer, of any rank, or Director of the Corporation.
4. L&L INTERNATIONAL INC does not have any unpaid Federal Tax Liability.

On its Motion for Summary Judgment:

1. The Government has failed to demonstrate a cause of action with facts sufficient to "pierce the corporate veil" of L&L INTERNATIONAL INC.
2. The stated business purpose of L&L International Inc. stood on its own, it never presented itself as a private fortress for Lina and, as a legal corporation, was not a fake alter ego personality of Na Li.
3. In being candid with the Honorable Court, L&L INTERNATIONAL INC. went out of business after December 20, 2017, did not file a Report for Tax Year 2018 and thus forfeited its Charter on August 2, 2019.

VII.

REPATRIATION

1. The Original Complaint of the United States of America does not present or allege a Count or Cause of Action for Repatriation.



2. The remedy of collection methodology envisioned in "repatriation" is an issue respectfully not before the Court.
3. These bars said, Na Li, your personal Defendant, states to the Honorable Court that she has no legal ability or right or capacity to initiate, much less retrieve, any funds, of any kind from and out of any foreign bank account or financial institution.
4. These bars said, L&L INTERNATIONAL INC., the Corporate Defendant, states to the Honorable Court that it has no legal ability or right or capacity to initiate, much less retrieve, any funds, of any kind from and out of any foreign bank account or financial institution.
5. In sum, even pursuant to appropriate pleadings, any Order commanding Repatriation seeks the impossible.

VIII.

PRAYER FOR RELIEF

WHEREFORE, PREMISES CONSIDERED, and herewith very simply, the Defendant Na Li, Lina, Prays of the Court a life-saving chance to set the record straight in a Trial on the Merits on or about October 1, 2019; and that, in predicate allowance for her Trial, the Court Deny the Government's Motion for Summary Judgment. The Defendant, L&L International Inc. Prays of the Court an Order denying the Government's Motion for Summary Judgement; and, following, joins in the Request of Na Li that this case be set for Trial on the Merits on or about October 1, 2019. And for such other and appropriate relief in the Premises to which they each or both may be entitled, Na Li and L&L INTERNATIONAL INC remain, Your Honor,

Most Respectfully,

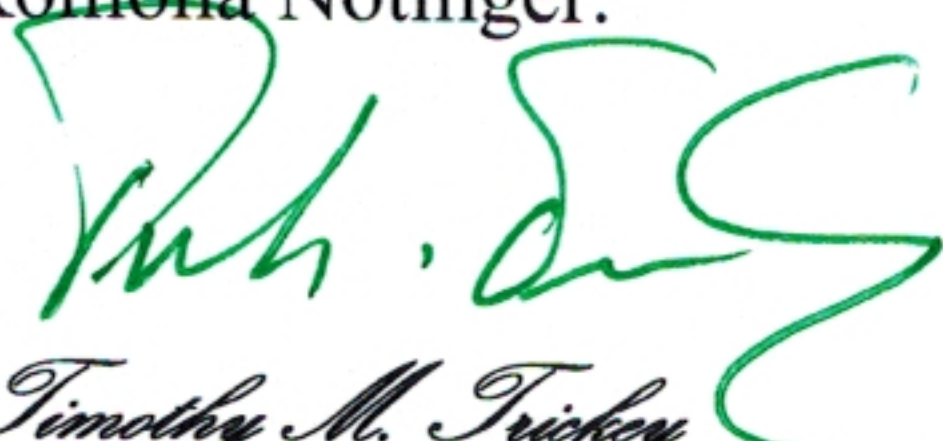
  
By *Timothy M. Trickey*

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copies, with attached Exhibits, of the above and foregoing Responses of both Defendants in this case were served upon the Plaintiff, The United States of America, by Facsimile and Electronically, to Plaintiff's Counsel Ms. Romona Notinger.

  
*Timothy M. Trickey*

Date:

August 16, 2019